

# 2017 Annual Treasurer's Conference:

## Settlement Review

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Settlements Division  
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## Settlement Outline

1. Settlement Recap
2. Settlement Process
3. Settlement Questions
4. Excise
5. LIT Property Tax Reconciliation

## Settlement Recap

- 92/92 counties submitted Settlement forms by June 30, 2017
- 92/92 counties remitted Excise tax to the State by June 30, 2017
- This is great considering all the changes to Local Income Taxes!
  - Forms changed drastically, hopefully for the better
  - AOS was delayed in reviewing do to adapting the auditing process

## The Settlement Process

- Completed forms were placed on the AOS FTP site in the “From Settlements” folder and then upload the completed forms using the AOS FTP site in the “To Settlements” folder
- Everyone should have access to the FTP site now, if not notify [Settlements@auditor.in.gov](mailto:Settlements@auditor.in.gov).
- Again, we partnered with Crowe Horwath to help us increase the accuracy and internal controls of our review process
  - Due to the increase in internal controls, we experienced only a slightly lengthier delay on approval
  - Average review took 2 days to get pre-approval after submission
  - We were able to complete near perfect submissions within a couple of hours on the same day

## Receiving Final Approval

- In order to receive final approval for Settlement:
  1. Forms submitted and pre-approved via AOS FTP
  2. Excise tax remitted via ETF
  3. Fines and Fees (Section C of 105) remitted via ETF
  4. 105 Verification Form submitted via email
  5. Fines and Forfeitures (Forfeitures) submitted via ETF
    - Deadlines for submission are May 1<sup>st</sup> and November 1<sup>st</sup> – IC 20-49-3-16
  6. Judges Supplemental Salaries submitted via ETF

Documentation for all payments need to be submitted via email to [Settlements@auditor.in.gov](mailto:Settlements@auditor.in.gov)

## Settlement Answers

- The Settlement process must be done by the County Auditor's Office and the County Treasurer's Office, AOS will play an administrative role only
- Treasurer's play an important role in submission of the forms particularly the 49TC so it is important that the Treasurer completes the form as soon as possible

## Excise Imbalances

- Treasurer must complete:
  1. 49TC
  2. Excise Reconciliation
- An imbalance in the Auditor and Treasurer's numbers does allow for pre- and final approval, but also notification to SBOA
- **31/92 or 33.69% of counties had unreconciled differences**

## Excise Imbalances

The Excise Recon file was designed as tool for the treasurers and auditors to use to reconcile their excise amounts prior to Settlement.

As of the cut off date:

- AUDITOR will provide excise tax posted to the excise tax ledger.
- TREASURER will certify on the 49TC what was posted on the cashbook.
  - This will include vehicle/auto, boat/watercraft, auto rental, aircraft, excise tax replacement/lottery.

## Excise Imbalances

The Excise Recon file is built to account for timing differences between the auditor and treasurer.

Line 10 needs to be equal zero or be researched further by both the auditor and treasurer.

- If the amount cannot be reconciled, and has remained static for two consecutive Settlements, AOS can provide instructions and assistance in distributing the remaining balance or withholding the amount to be distributed to the taxing districts.

Taken from the Excise Recon file.

10.	EQUALS: RECONCILED DIFFERENCE	0.00
	(Reconciled difference amount should be zero, if not zero, then the difference should be resolved before the Settlement is continued. If the difference is not resolved at the current Settlement, then it must be resolved by the next settlement. If not resolved by the next settlement, then the difference must be distributed at the next settlement using the auditor of state's undistributed excise tax instructions. Also, procedures must be put in place to prevent future differences.)	

## Property Tax Relief Fund Reconciliation

- LOIT switched to LIT meaning the LOIT property funds now have to be reconciled into the LIT property funds
- What this means is your county is responsible for properly identifying the correct dollars from the old LOIT Property tax funds placing them into the new LIT Property tax funds
- We ask that this is **completed by October 1<sup>st</sup>, 2017**, so that **AOS can properly sign off** on the funds
- The Auditor's will notify [Settlements@auditor.in.gov](mailto:Settlements@auditor.in.gov) when this has been completed

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